

1 Amend 2 Cal. Code Regs. Section 18940.2 to read:

2 **§ 18940.2 Gift Limit Amount.**

3 (a) For purposes of ~~Government Code section~~ Section 89503, the adjusted annual  
4 gift ~~limitation~~ limit amount in effect for the period January 1, 2009, to December 31,  
5 2010, is \$420.

6 (b) Pursuant to Section 89503(f), ~~The the pre-adjusted~~ gift ~~limitation~~ limit of  
7 \$250 specified in ~~Government Code section~~ Section 89503 shall be adjusted biennially by  
8 the Commission ~~to reflect changes in the Consumer Price Index and rounded to the~~  
9 ~~nearest ten dollars (\$10). The resulting figure shall be~~ is the adjusted gift limitation in  
10 effect until January 1 of the next odd numbered year as provided in subdivisions (c) and  
11 (d) below.

12 (c) The gift limit adjustment shall be based ~~upon~~ on the ~~September forecast of~~  
13 ~~U.S. Bureau of Labor Statistics~~ California Consumer Price Index for All Urban  
14 Consumers based on Consumer Price Index data obtained from the United States Bureau  
15 of Labor Statistics for the calendar year immediately preceding the year in which the  
16 adjustment is to take effect.

17 (d) The Commission shall calculate the adjusted gift ~~limitation~~ limit amount ~~shall~~  
18 ~~be calculated by the Commission~~ as follows:

19 (1) The base dollar amount of \$250 shall be increased or decreased by the  
20 cumulative percentage change in the annual ~~average~~ California Consumer Price Index  
21 from 1990 to the end of the calendar year immediately preceding the year in which the  
22 adjustment will take effect.

1           (2) The resulting dollar amount ~~obtained by application of the calculation set~~  
2 ~~forth in subdivision (b)~~ shall be rounded to the nearest ~~ten dollars (\$10)~~ \$10 and the  
3 resulting amount is the adjusted gift limit in effect until January 1 of the next odd-  
4 numbered year.<sup>1</sup>  
5       NOTE: Authority cited: Section 83112, Government Code. Reference: Sections  
6       87103(e), 89503, and 89506 Government Code.

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<sup>1</sup> For example, the California Consumer Price Index for All Urban Consumers for 1990 is 135.0. In 1992, the California CPI increased to 145.6. Therefore, the adjusted gift limitation limit amount beginning in 1993 would be calculated as follows:

$$\frac{\$250 \times 145.6}{135.0} = \$269.63 \text{ (~~\$270~~ rounded to \$270 ~~the nearest \$10.~~)}$$